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FROM: Wendy L. Watanabe
Auditor-Controller

John F. Schunhoff, Ph.D.
Interim Director, Department of Health Services

SUBJECT: **DEPARTMENT OF HEALTH SERVICES CONTRACT PHYSICIAN
OVERSIGHT, PHYSICIAN TIMEKEEPING AND OUTSIDE
EMPLOYMENT SECOND FOLLOW-UP REVIEW (Board Agenda Items
61-A, July 19, 2005 and 85-A, August 30, 2005)**

In 2005, the Board instructed the Auditor-Controller (Auditor) to follow up on the recommendations from prior audit reports on the Department of Health Services' (DHS) monitoring of County and contract physicians. The Board also instructed the Auditor to work with DHS and the Department of Human Resources (DHR) to determine whether there were any improprieties at DHS facilities, and to expedite disciplinary action on any substantiated cases. The Auditor issued the first status report to the Board on June 14, 2006.

The Auditor completed the second follow-up review in January 2007 (Attachment I). At that time, DHS asked the Auditor to delay their review specifically at Martin Luther King, Jr. Multi-Service Ambulatory Care Center (MLK-MACC) because of restructuring efforts at the Facility. MLK-MACC will be included in the Auditor's next follow-up review. DHS also asked the Auditor to delay issuing their report to allow DHS' Audit and Compliance Division (A&CD) to complete their own internal review and to determine whether further progress had been made after the Auditor's second review. DHS A&CD completed their internal review in May 2008 (Attachment II). Although DHS' A&CD reported more

progress than the Auditor identified, both reviews indicate that DHS still needs to take further action to fully implement the Auditor's recommendations and improve controls over physician time accountability.

The Auditor's second review concluded that DHS partially implemented all 11 recommendations from the prior reports. DHS recognizes the need to continue to improve its controls over physician time accountability and has taken steps to fully implement all of the Auditor's recommendations. The Auditor will continue to work with DHS to address the deficiencies noted in these reports and monitor the implementation status to ensure compliance with County and DHS requirements. The implementation status of each recommendation is discussed in the attached reports.

The Auditor's review of a sample of physicians did not identify any substantiated cases of time abuse. The Auditor and DHS will jointly investigate future time abuse allegations and refer substantiated cases to the District Attorney for further action.

Please call us if you have any questions, or your staff may contact Jim Schneiderman of the Auditor-Controller at (213) 253-0101, or Sharon Ryzak of DHS at (213) 240-7901.

WLW:MMO:JLS:mwm

Attachments

- c: William T Fujioka, Chief Executive Officer
- Robert E. Kalunian, Acting County Counsel
- Lisa M. Garrett, Acting Director of Personnel
- Sachi A. Hamai, Executive Officer
- Public Information Office
- Audit Committee

**AUDITOR-CONTROLLER SECOND FOLLOW-UP REVIEW
DEPARTMENT OF HEALTH SERVICES
CONTRACT PHYSICIAN OVERSIGHT, PHYSICIAN TIMEKEEPING
AND OUTSIDE EMPLOYMENT**

Background

In 2005, the Board instructed the Auditor-Controller (Auditor) to follow up on the recommendations from prior audit reports on the Department of Health Services' (DHS) monitoring of County and contract physicians. The Board also instructed the Auditor to work with DHS and the Department of Human Resources (DHR) to determine whether there were any improprieties at DHS facilities, and to expedite disciplinary action on any substantiated cases. The Auditor issued the first status report to the Board on June 14, 2006.

The Auditor completed the second follow-up review in January 2007. At that time, DHS asked the Auditor to delay their review specifically at Martin Luther King, Jr. Multi-Service Ambulatory Care Center (MLK-MACC) because of restructuring efforts at the Facility. MLK-MACC will be included in the Auditor's next follow-up review.

The Auditor's review of a sample of physicians did not identify any substantiated cases of time abuse. The Auditor and DHS will jointly investigate any future allegations of time abuse and refer substantiated cases to the District Attorney for further action.

Status of Recommendations

DHS has partially implemented all 11 recommendations from our prior reports. DHS needs to continue to improve its time accountability and monitoring to ensure physicians comply with timekeeping requirements. DHS also needs to ensure all recommendations from prior reports are fully implemented. The status of the 11 recommendations are discussed below.

Recommendation 1

DHS establish a department-wide policy that timecards be fully completed and include hours worked, and arrival and departure time.

Current Status: PARTIALLY IMPLEMENTED

In the 2005 review, we noted that County physicians did not always record their arrival and departure times on their timecards. We recommended that DHS establish a Department-wide policy that timecards be completed fully, including hours worked, and arrival and departure times. In our first status report in June 2006, we noted that DHS had revised their policy to require physicians to fully complete their timecards, and only report time that is actually spent working for the County. However, DHS revised policy did not explicitly require physicians to record their arrival and departure times on their

timecards. As a result, the June 2006 follow-up report recommended that DHS revise the policy to specifically require physicians to record this information on their timecards. In this follow-up review, we noted that DHS has not revised their physician time reporting policy to include this requirement.

To determine whether County physicians were fully completing their timecards, including hours worked, and arrival and departure times, we reviewed a total of 50 County physician timecards at five DHS facilities (Harbor/UCLA, LAC+USC, and Olive View/UCLA Medical Centers, High Desert Health System and Rancho Los Amigos National Rehabilitation Center) for July 2006 and noted the following:

- Six physicians (12%) did not always record arrival and departure times on their timecards (Harbor/UCLA and LAC+USC).
- Three physicians (6%) recorded more than 24 hours of regular time, paid overtime, accrued overtime and/or standby hours a day (Harbor/UCLA and LAC+USC). For example, we noted one physician recorded a total of 26 hours worked during a day. Although the three physicians only claimed an excess of approximately 16 total hours for the review period, the physicians' supervisors should have identified these errors during their review of the timecards. We verified that DHS subsequently adjusted the time records for the three physicians to correct the excess hours.
- Three physicians (6%) claimed more hours than were supported by the arrival and departure times on their timecards (Harbor/UCLA, Olive View and Rancho). For example, one physician claimed a total of 24 hours worked on their timecard, but the arrival and departure times indicated that the physician only worked 12 hours.
- Twenty-nine physicians (58%) did not record the total hours worked on their timecards (all facilities).

DHS facility management indicated that these issues were the result of a combination of errors and a lack of understanding of timecard requirements. However, the physicians' supervisors should have identified and consistently questioned these issues when reviewing the timecards for completeness and accuracy. DHS should revise their time reporting policy to require physicians to fully complete timecards, including hours worked, arrival, and departure times. DHS should also consider providing additional timekeeping training at the facilities where timecard issues were noted to ensure that all physicians and physician supervisors comply.

Recommendation 2

DHS develop standard physician sign-in and sign-out sheets and work schedule forms.

Current Status: PARTIALLY IMPLEMENTED

After our 2005 review, DHS determined that sign-in/out logs were an inefficient tool to monitor physician presence and hours worked. As a result, in November 2005, the Chief Executive Office, County Counsel, DHS and the Auditor-Controller jointly agreed that, as an alternative to the sign-in/out sheet, County physicians would be required to complete timecards fully, including hours worked, arrival, and departure times. However, as indicated above, six of the 50 County physician timecards we reviewed (12%) did not always include arrival and departure times. DHS needs to ensure that all County physicians consistently record their arrival and departure times on their timecards and that physicians comply with their County work schedules.

In June 2006, DHS developed procedures requiring physician work schedules to indicate the physicians' names, daily assignments and timeframes (which may be approximated) for each assignment. To evaluate compliance with DHS' work schedule procedures, we selected 50 County physicians and attempted to review their work schedules. We noted that 16 of the physicians (32%) did not have work schedules (Harbor/UCLA and Rancho). For the 34 physicians who did have work schedules, five (15%) did not have scheduled work times on the schedules (Harbor/UCLA, LAC+USC and Olive View).

DHS implemented similar time record and work schedule requirements for contract physicians. DHS requires contract physician schedules to identify all on-site and on-call hours, and indicate the reason for the contract physician's assignment (e.g., staffing shortage, peak workload, emergencies, etc.). Of the 32 contract physicians we reviewed, seven (22%) did not have work schedules (Harbor/UCLA and Rancho). Of the 25 physicians who did have work schedules, none of the schedules indicated the reason for the contract physician's assignment. DHS management indicated that they plan to standardize this requirement at all the facilities.

Inaccurate and incomplete work schedules make it difficult to monitor physician time and attendance. DHS should ensure that all County and contract physician work schedules are appropriately and accurately maintained. DHS indicated that they are in the process of implementing the AmlOn scheduling system to replace the current paper-based system. Implementation of AmlOn system should ensure standardized and detailed monthly work schedules, and assist DHS in monitoring physician time and attendance. We will review the implementation of the system in our next follow-up.

Recommendation 3

DHS management hold physician supervisors accountable for ensuring physicians use the sign-in and sign-out sheets and work schedules, with changes in work schedules annotated on the schedule by the physician's supervisor.

Recommendation 4

Physician sign-in and sign-out work schedules be compared to timecards at least on a sample basis, and variances accounted for before supervisors approve timecards. This comparison could be made by clerical staff before supervisory approvals.

Current Status: PARTIALLY IMPLEMENTED (Recommendations 3 and 4)

We met with DHS management and facility management to determine whether the recommended comparisons of monthly schedules and timecards were being performed. Although all the facilities indicated that comparisons were being done, we noted differences in how the facilities were performing the review. For example, some facilities indicated that they compare timecards to actual schedules, while others indicated that they base their review on personal knowledge of the schedules. Some facilities also indicated that they do not perform comparisons for all physicians. We noted that only Olive View documented their comparisons.

We compared the timecards and work schedules for 34 County physicians to determine whether discrepancies existed between the documents and noted the following:

- Arrival and departure times recorded on timecards did not match the work schedules for 19 County physicians (56%) (Harbor/UCLA, High Desert, LAC+USC and Olive View).
- Fourteen County physicians (41%) reported more hours worked than scheduled (Harbor/UCLA, High Desert, LAC+USC and Olive View). Conversely, nine physicians (26%) reported fewer hours worked than scheduled (Harbor/UCLA, High Desert, LAC+USC and Olive View).
- Eight County physicians (24%) recorded no time worked on their timecards when they were scheduled to work (LAC+USC and Olive View). Conversely, ten physicians (29%) reported time worked on their timecards when they were not scheduled to work (Harbor/UCLA, LAC+USC and Olive View).
- Changes and/or corrections to ten work schedules (29%) were not appropriately initialed by the physician supervisor (High Desert and Olive View).

These discrepancies should have been identified, discussed with the physicians, and appropriately documented and resolved when the timecards were approved. The facilities generally indicated that the differences between the timecards and work schedules were the result of changes not being documented on the work schedules. DHS should establish standardized procedures for completing and documenting comparisons between timecards and work schedules to ensure that they accurately reflect physician work hours and coverage.

Recommendation 5

DHS managers spot check to ensure compliance with the above recommendations and take appropriate disciplinary action for non-compliance.

Current Status: PARTIALLY IMPLEMENTED

Based on our follow-up review, DHS has made progress in ensuring compliance with Recommendation 5. Specifically, DHS has developed monitoring procedures that increase accountability and oversight of physician time. DHS Medical Directors have also met monthly with their Medical Service Chiefs to discuss physician monitoring issues. In addition, DHS conducted documented paging audits for County physicians at all the facilities we reviewed. These audits involve attempting to contact physicians on a sample basis to confirm that they are at the facility, and to verify the accuracy of their work schedule. DHS reported that these "paging audits" have indicated that the County physicians have generally been present at the facilities when they were supposed to be.

However, we noted areas where additional monitoring and oversight are needed. For example, facility Medical Directors, or their designees, are required to review physician work schedules and time records to validate physician hours, and ensure that the records are being completed correctly. We noted that, although all the facility Medical Directors indicated that they were comparing physician monthly schedules and timecards, only Olive View documents their comparisons.

To verify that physicians were at the facilities when they claimed to be, and to verify the accuracy and completeness of physician timecards and work schedules, we also conducted paging audits for a total of 50 County physicians from the five DHS facilities in September 2006. We noted that all 50 County physicians accurately reported if they were present at the facility. However, staff schedules were not provided for seven of the physicians (14%) (Harbor/UCLA). As a result, we could not determine if these physicians were at the facility when scheduled. For the remaining 43 physicians, we noted one instance where the physician was not at the facility when scheduled.

DHS should ensure that the facilities implement the comparisons of physician timecards and staffing schedules, and continue to perform physician paging audits. DHS also needs to ensure that the Medical Directors, or their designees, document their review of monthly schedules, and hold physicians' supervisors accountable for ensuring that changes/corrections to work schedules are appropriately documented and approved. In addition, as previously noted, DHS needs to improve enforcement of compliance with their Time Reporting policy and Physician Monitoring procedures, and take appropriate disciplinary action for non-compliance, when appropriate.

DHS management indicated that physician services require flexibility in scheduling to ensure that the appropriate level of care is provided to patients. DHS believes that, due to the volume of schedules, the time involved in making corrections, and the dynamic nature of physician duties, it is not practical to record every change to the work

schedules. DHS plans to develop a risk-based alternative to verifying physician time and attendance. We will re-evaluate DHS' approach to verifying physician time and attendance during the next follow-up review.

Recommendation 6

DHS management require County health facility management to verify contract physician work hours by requiring contract physicians to sign in/out logs maintained by the medical departments daily and compare the logs to the contractor billings.

Current Status: PARTIALLY IMPLEMENTED

As indicated earlier, DHS concluded that sign in/out logs were not an effective way to monitor contract physicians. As an alternative, DHS requires contract physicians to fully complete their time records, including arrival and departure times. The Department also developed contract physician monitoring policies and procedures requiring Medical Directors, or their designees, to compare the written work schedules and time records, and conduct documented quarterly paging audits of contract physicians to verify that the physicians are present at the facilities. DHS policy also requires Medical Directors to ensure that each facility/unit compares contract physicians' time records, work schedules and billing invoices, before payment is made.

DHS facility managers indicated that comparisons of contract physician time records, work schedules and billing invoices are being completed. However, we noted that these reviews are not being documented. We also noted that Harbor/UCLA and Rancho are not conducting paging audits of contract physicians. We conducted paging/phone audits for 38 contract physicians in September 2006, and noted that all physicians accurately reported if they were present at the facility. However, complete staff schedules were not provided for seven of the 38 contract physicians reviewed (18%) (Harbor/UCLA). Our review of the 31 physicians with staff schedules disclosed one instance where the physician was not at the facility when scheduled.

We also reviewed time records, work schedules and billing invoices for 25 contract physicians for July 2006 and noted the following:

- Arrival and departure times recorded on time records did not match the staff schedules for five contract physicians (20%) (High Desert, Olive View and Rancho).
- Three contract physicians (12%) reported more hours worked than scheduled (Olive View and Rancho). Two other contract physicians (8%) reported fewer hours worked than scheduled (High Desert).
- Two contract physicians (8%) recorded no hours worked on their time records when they were scheduled to work (High Desert and Olive View). Conversely,

five contract physicians (20%) reported hours worked on their time records when they were not scheduled to work (High Desert, Olive View and Rancho).

The facilities indicated that the differences between the time records and work schedules were due to schedule changes not being documented on the work schedules. DHS needs to ensure that Medical Directors document their reviews verifying contract physician work hours and presence, and that all facilities comply with DHS Time Reporting policies and Physician Monitoring procedures for contract physicians.

Recommendation 7

DHS management require County health facility management to verify that contract physicians are complying with the service and billing requirements of their contracts.

Current Status: PARTIALLY IMPLEMENTED

DHS' Physician Time Reporting policy requires Medical Directors, or their designees, to verify that contract physicians are complying with the service, billing and administrative requirements of their contracts. We reviewed the most recent annual monitoring reviews for contract physicians at each of the facilities and noted that the monitoring reviews were being completed appropriately. However, the monitoring instruments used in the reviews did not include all the new requirements established for contract physicians in January 2006. For example, DHS modified their physician service contracts to limit the number of hours contract physicians can work each day/year, eliminating/reducing the number of on-call hours physicians can work and requiring contractors to submit more detailed invoices.

We reviewed 31 contractor invoices from the DHS facilities and noted that the contract physicians were generally complying with the new contract requirements. DHS management indicated that they are revising the contract physician monitoring instruments to include the new contract requirements. In addition, DHS indicated that they plan to provide additional training on the revised monitoring instruments when they are completed.

Recommendation 8

DHS management require County health facility management to ensure that physicians who were previously employed by the County are not allowed to contract with the County within 12 months of leaving County service, as required by County Code.

Current Status: PARTIALLY IMPLEMENTED

County Code Section 2.180 prohibits the County from contracting with persons who were County employees within the preceding 12 months, except for resident physicians. DHS' Physician Time Reporting policy also requires DHS Contract and Grants Division

to contact DHS Human Resources with the names of all prospective contract physicians at least four working days before contracts are approved, to verify that prospective candidates are in compliance with the Code.

We reviewed documentation from DHS Contracts and Grants from September 2005 through September 2006, and noted that, for two of the 51 contracts signed during that period, there was no documentation indicating that the contract physicians' County employment status was verified. We subsequently reviewed the County employment status of these two contract physicians and noted that no conflicts existed.

DHS should ensure that reviews of all potential contract physicians are consistently conducted and documented to ensure that the hiring complies with County Code.

As part of the implementation of the Metrocare Plan, the Board delegated authority to the Director of DHS to contract for physician services with current or former County employees, where special circumstances exist to justify the contracts. As a result, the County Code requirements do not apply to Metrocare contracts.

Recommendation 9

DHS management require County health facility management to begin evaluating possible technology for use in validating physician presence at health facilities.

Current Status: PARTIALLY IMPLEMENTED

In September 2006, DHS completed their on-line timekeeping system pilot at Rancho Los Amigos National Rehabilitation Center. The proposed system replaces the current paper timecards with an on-line system. However, this system will not automatically capture actual hours worked by physicians or other staff. While the pilot was determined to be successful, DHS indicated that there are some operational and policy issues that need to be addressed. As a result, the implementation of the on-line time reporting system at the remaining DHS facilities will be postponed.

In addition, DHS indicated that they are considering a system that will capture employee time automatically, through the use of swipe cards, and interface with the County's eCAPS Time Collection System. DHS is developing the Request for Proposals (RFP) for the automated system. This automated timekeeping system will take a few years to fully implement. We will continue to work with DHS on the RFP and the implementation of the automated timekeeping system.

Recommendation 10

DHS management ensure that all physicians complete an outside employment declaration indicating their outside employment location(s) and the days/hours to be worked, and that potential conflicts between the physician's outside employment activity and County work hours are identified, monitored and resolved.

Current Status: PARTIALLY IMPLEMENTED

In our initial review, we noted instances where County physicians claimed hours on their timecards and were observed engaging in outside employment activity at the same time. In addition, we noted that some County physicians reported their total daily hours worked, instead of their outside employment work schedule, on their outside employment form. As a result, we could not determine whether there was a conflict between the physicians' County and outside employment. In our last review, we recommended that DHS managers review outside employment forms for completeness and accuracy, and require that all County physicians reporting outside employment to indicate both their hours worked and their daily work schedule.

We reviewed outside employment forms for 50 County physicians for compliance with DHS' Outside Employment policy and noted:

- Nineteen outside employment forms (38%) did not indicate scheduled work dates and/or time periods for all outside employment (Harbor/UCLA, LAC+USC, Olive View and Rancho). As a result, we could not determine whether conflicts existed between the employees' County and outside employment.
- Nine physicians (18%) did not have current outside employment forms on file (Harbor/UCLA and LAC+USC). Outside employment declarations are required to be completed on an annual basis.

DHS should ensure that managers are reviewing outside employment forms for completeness and accuracy, and that the forms are current and completed on an annual basis. DHS should also require that all County physicians reporting outside employment indicate both the hours worked and daily work schedule. This will assist physician supervisors in identifying and monitoring potential conflicts between the physicians' outside employment and their County employment.

Recommendation 11

DHS management consider aggregating physician outside employment forms in a central location within the Department to facilitate reconciliation and monitoring for potential conflicts, and to ensure that physicians are meeting their County obligations.

Current Status: PARTIALLY IMPLEMENTED

In our initial review, we determined that 500 of DHS' 1,200 physicians did not have an outside employment form on file. DHS management indicated that the outside employment forms were requested from every County facility, and that the missing forms either could not be located or were never completed. As a result, the Department could not verify that all physicians had completed the forms, or if the physicians' outside employment presented a potential conflict. We recommended that DHS consider

aggregating physician outside employment forms in a central location within the Department to facilitate the reconciliation and monitoring of potential conflicts.

DHS management has since centralized outside employment form responsibilities within the DHS Human Resources Office (DHS HR). DHS HR staff distribute, collect and centrally maintain outside employment forms, and enter outside employment activities into a database annually. In February 2008, the Department required all DHS permanent employees to report outside employment by March 2008. DHS also indicated that forms are reviewed by the physicians' supervisors to ensure the forms are completed properly and that no conflicts exist. DHS management indicated that they still have not received outside employment forms for all physicians. DHS should continue to centrally maintain outside employment forms, monitor for conflicts and follow up to ensure all physicians complete the required forms.

COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES

AUDIT AND COMPLIANCE DIVISION

**SUBJECT: DEPARTMENT OF HEALTH SERVICES CONTRACT PHYSICIAN
OVERSIGHT, PHYSICIAN TIMEKEEPING PROTOCOLS AND
OUTSIDE EMPLOYMENT FOLLOW-UP REVIEW**

PURPOSE

To conduct a follow-up review relative to the Auditor-Controller's (A-C) 11 recommendations resulting from its audit issued on August 19, 2005, to determine whether the Department has established controls over physician time accountability.

SCOPE/METHODOLOGY

Audit and Compliance Division (A&CD) interviewed staff from Harbor/UCLA Medical Center (HUCLA), High Desert Health System (High Desert), LAC+USC Medical Center (LAC+USC), Martin Luther King, Jr. Multi-Service Ambulatory Care Center (MLK-MACC), Olive View-UCLA Medical Center (OVMC), Rancho Los Amigos National Rehabilitation Center (Rancho), Contracts and Grants Division, Human Resources (HR), and Finance Division.

A&CD judgmentally selected 73 County physicians and 39 contract physicians working at the six facilities and reviewed time records from October to December 2007. Additionally, A&CD reviewed work schedules, invoices, outside employment forms, contracts, applicable policies and procedures, and other relevant documents.

BACKGROUND

In July 2005, the Board of Supervisors instructed the A-C to conduct a follow-up review of the Department of Health Services' (DHS) monitoring of contract physicians at King/Drew Medical Center, now known as MLK-MACC. On August 30, 2005, the A-C was also instructed to review DHS' implementation of the recommendations from the A-C's August 19, 2005 report on Physician Timekeeping Protocols, Contracted Physician Oversight, and Outside Employment. The A-C issued a status report to the Board on June 14, 2006, and completed a second follow-up review in January 2007 and discussed its findings with DHS.

RECOMMENDATION 1

DHS establish a department-wide policy that timecards be fully completed and include hours worked and arrival and departure time.

DHS FINDINGS

DHS Policy 610.01 on Physician Time Reporting states, "Timecards must be fully completed in ink, front and back and must reflect only time that is actually spent performing work for the County. Time not worked for the County must not be reflected on timecards."

Medical Administration staff indicated that County physicians have been instructed and are required to indicate their arrival and departure times on the back of their timecards. Staff stated that supervisors and timekeepers have been working collectively to ensure physicians properly complete their timecards and appropriately report hours worked. Staff also indicated that supervisors and/or medical department staff meet with physicians individually to correct errors and provide training to avoid reoccurrence of errors. Additionally, staff stated that Payroll conducts timekeeping training as part of New Hire Orientation and individual timekeeping training to newly assigned timekeepers throughout the year.

A&CD reviewed the timecards submitted by 73 County physicians for a three month period and noted the following:

- Eight physicians (11%) did not always record arrival and departure times on their timecards, including three at HUCLA, two at OVMC, two at MLK-MACC, and one at LAC+USC, which is consistent with the A-C's findings in its January 2007 follow-up review.
- Three physicians (4%) recorded more than 24 hours of regular time, paid overtime, accrued overtime, and/or standby hours a day, including two at Rancho and one at HUCLA. The physicians claimed an excess of 13 total hours for the period reviewed, which were subsequently corrected.
- Eighteen physicians (25%) claimed more hours than were supported by the arrival and departure times recorded on their timecards, including physicians from each facility. Conversely, ten physicians (14%) at all facilities, except OVMC, reported fewer hours.

Payroll staff indicated that the hours worked are automatically calculated when Payroll enters the information into the County Wide Timekeeping and Payroll Personnel System. Medical Administration staff indicated that physicians are not required to complete the "Total Hours Worked" section on the back of the timecards and the timekeepers or clerical support staff have been instructed to complete it for the physicians. In addition, Rancho stated that physicians were instructed to leave this section blank because of conflicting information received from HR on which hours should be included such as regular earnings, overtime, and standby hours. Payroll staff indicated that standby hours are excluded from the total hours worked.

CONCLUSION

1. County physicians' timecards contained the arrival and departure times in 89% of the timecards reviewed. However, the times recorded did not always match the total hours claimed.

RECOMMENDATION 2

DHS develop standard physician sign-in and sign-out sheets and work schedule forms.

DHS FINDINGS

A&CD reviewed work schedules for 73 County physicians for a three month period and noted the following:

- Eight physicians (11%) did not have work schedules for at least one of the months reviewed, including four at MLK-MACC, three at HUCLA, and one at LAC+USC, this was a 21% improvement in comparison with the A-C's January 2007 review.
- For the 65 physicians who had work schedules, 13 (20%) did not have timeframes identified on the schedules, including six at HUCLA, four at LAC+USC, and three at OVMC.

As previously agreed upon with the Chief Executive Officer, County Counsel, and A-C, County physicians are not required to sign in/out due to physicians' 24-hour schedules that vary as a result of patient care needs. Therefore, the format of the schedules vary for each department, but the physicians' work schedules generally included arrival and departure times for departments with established work schedules, or shift information (e.g., morning, afternoon, evening, am/pm, etc.) for departments with variable schedules. Medical departments maintained individual and/or department schedules, which included the physicians' names and assignments. County physicians performing non-clinical activities such as administrative duties, attending meetings and trainings, or when teaching, did not always appear on a work schedule.

MLK-MACC indicated that some County physicians have been signing in/out since February 2008 at Medical Administration on a voluntary basis, and the department chairs and lead physicians send an e-mail notifying of their arrival to the facility. High Desert indicated that two of their physicians also sign in/out as a result of corrective action taken internally by the facility.

CONCLUSION

2. The facilities established work schedules for 89% of County physicians reviewed, which included the physicians' names, assignments, and/or timeframes. However, 20% of the schedules did not identify specific timeframes.

RECOMMENDATION 3

DHS management hold physician supervisors accountable for ensuring physicians use the sign-in and sign-out sheets and work schedules with changes in work schedules annotated on the schedule by the physician's supervisor.

RECOMMENDATION 4

Physician sign-in and sign-out work schedules be compared to timecards at least on a sample basis and variances accounted for before supervisors approve timecards. This comparison could be made by clerical staff before supervisory approvals.

DHS FINDINGS (Recommendations 3 and 4)

Medical Administration staff indicated that timekeepers assist the physician supervisors in comparing timecards with work schedules to ensure accuracy and appropriateness of completion. Staff indicated that when a discrepancy is identified, the timekeeper notifies the physician's supervisor or the physician directly to make the necessary changes prior to approval of timecards. When a discrepancy is identified following the supervisor's approval or requires an adjustment, a timecard correction form is completed and submitted to Payroll. Medical Administration staff indicated that the timecards were not always consistent with the work schedule because physicians performing non-clinical activities such as administrative or teaching duties, or when attending meetings and trainings, did not appear on work schedules. The facilities also attributed identified discrepancies to changes made that were not documented on the work schedules. For example, MLK-MACC had annual schedules for some of their physicians and therefore, absences (i.e. vacation, sick, etc.) were not reflected on the schedules.

A&CD compared timecards and work schedules for the 65 of 73 County physicians who had schedules available and noted the following:

- Arrival and departure times recorded on the timecards did not match the work schedules for 14 physicians (22%), including six at LAC+USC, five at OVMC, two at Rancho, and one at MLK-MACC, which was a 34% improvement in comparison with the A-C's January 2007 review.
- Eleven physicians (17%) reported more hours worked than reflected on the schedule, including six at LAC+USC, three at OVMC, and two at Rancho, which was a 24% improvement. Conversely, five physicians (8%) reported fewer hours worked than reflected on the schedule, including two at OVMC, two at LAC+USC, and one at MLK-MACC, which was an 18% improvement.
- Thirty-four physicians (52%) at all facilities did not record time on their timecards on dates when they were scheduled to work. However, 32 physicians (49%) reported time worked on their timecards on dates when they were not scheduled to work at all facilities, except High Desert.

A&CD noted that work schedules reflected some changes/corrections at all of the facilities. High Desert and Rancho's schedules were generally annotated by the physicians and/or their supervisors. LAC+USC and OVMC indicated that their physicians' schedules are updated on the intranet; however, inconsistencies between the timecards and work schedules were noted. High Desert, LAC+USC, and Rancho indicated that staff judgmentally select a sample of physician time records and reconcile them with schedules on a monthly basis; however, only LAC+USC prepares a report documenting the results of its audit and the actions taken. MLK-MACC indicated that in April 2008, Medical Administration staff began auditing medical departments to verify compliance with the Time Reporting policy. As a result, MLK-MACC staff indicated that deficiencies for one physician were identified related to overtime authorization, which resulted in issuance of a Notice of Expectation letter to the physician for non-compliance.

CONCLUSIONS

3. The facilities are generally reflecting changes/corrections to the physicians' work schedules; however, not all changes/corrections were documented.
4. Physicians' supervisors and timekeepers are reviewing and comparing timecards with the work schedules prior to approval of timecards; however, Medical Administration staff acknowledged that timecards were not always consistent with the work schedules.

RECOMMENDATION 5

DHS Managers spot check to ensure compliance with the above recommendations and take appropriate disciplinary action for non-compliance.

DHS FINDINGS

County facilities, except MLK-MACC, conduct paging audits daily/monthly by contacting the physicians through their pagers, calling their assigned area, or visual verification. Medical Administration staff indicated that physicians are randomly selected based on work schedules or as directed by the Medical Director. Staff call the physician's assigned work location and speak to the physician personally or another employee to validate the hours worked by a physician. The facilities document and maintain records of the paging audit on work schedules or log sheets indicating the date, time, name of physician, and whether the physician responded or was present at the location according to the schedule. A&CD reviewed the Physician Monitoring Logs and noted that the facilities did not identify any discrepancies. Additionally, A&CD verified for a sample of 71 County and contract physicians that the time records reflected the physicians' attendance on the date of the paging audit. MLK-MACC staff indicated they randomly conduct audits by observing the physicians at their work areas, particularly those who have not chosen to voluntarily sign in/out. MLK-MACC indicated that the physicians were generally in compliance with the audit, but did not document the results.

Time Reporting policy and Physician Monitoring procedures are included in the Department's training for supervising physicians. Medical Administration staff indicated that physician supervisors and timekeepers ensure physicians properly complete their timecards and appropriately report hours worked. Staff further stated that physicians found not in compliance are provided timekeeping training, verbally counseled, and/or are referred to HR for appropriate disciplinary action.

CONCLUSION

5. The facilities are conducting paging audits/visual verification to validate the physicians' time.

RECOMMENDATION 6

DHS management require County health facility management to verify contract physician work hours by requiring contract physicians to sign in/out logs maintained by the medical departments daily and compare the logs to the contractor billings.

DHS FINDINGS

A&CD reviewed work schedules, timesheets, and invoices for 39 contract physicians for three months and noted the following:

- Four (10%) physicians did not have work schedules, including two at HUCLA and two at OVMC, which was a 12% improvement in comparison with the A-C's January 2007 review.
- Of the 35 physicians with work schedules, arrival and departure times recorded on the timesheets did not match the work schedules for four physicians (11%), including one at HUCLA, one at LAC+USC, one at OVMC, and one at Rancho, which was a 9% improvement.
- Four physicians (11%) reported more hours worked than scheduled, including one at HUCLA, one at LAC+USC, one at OVMC, and one at Rancho. Two physicians (6%) reported fewer hours worked than scheduled, including one at HUCLA and one at LAC+USC.
- Ten physicians (29%) recorded no time worked on their timesheets on dates when they were scheduled to work, including three at LAC+USC, three at Rancho, two at HUCLA, and two at MLK-MACC. Conversely, seven physicians (20%) reported time on their timesheets on dates when they were not scheduled to work, including two at HUCLA, two at LAC+USC, two at MLK-MACC, and one at OVMC.

A&CD noted that contract physicians indicate their arrival and departure times when performing clinical and non-clinical duties on their timesheets. Physicians contracted to perform special

services also indicate the procedures (i.e. various cardiac test, biopsy, etc.) on their timesheets. Medical Administration staff stated that the Medical Directors or their designees approve the timesheets and forward them with the invoices to Finance for processing and payment. When Finance identifies a discrepancy, Medical Administration is notified, and the Contract Monitors reconcile the time claimed. A&CD, Centralized Contract Monitoring Division, Contracts and Grants, County Counsel, and HR provided Physician Specialty Medical Services Training in 2006 at all facilities, which included timekeeping.

CONCLUSIONS

6. The facilities established work schedules for 90% of contract physicians reviewed, which included the physicians' names, assignments, and/or timeframes.
7. Work schedules corresponded with the arrival and departure times on the timesheets for 89% of the contract physicians reviewed; however, not all changes/corrections were documented on the work schedule.

RECOMMENDATION 7

DHS management requires County health facility management to verify that contract physicians are complying with the service and billing requirements of their contracts.

DHS FINDINGS

Medical Administration staff indicated that the Contract Monitors verify that contract physicians are complying with the service, billing, and administrative requirements of their contracts. The Contract Monitors indicated that they review the administrative, service, and invoice processing and document their findings in the monitoring instrument for each contract physician annually. A&CD reviewed the standard monitoring instrument for full-time, part-time/intermittent, and Metrocare contract physicians that was revised in December 2007 and noted that the established requirements contained in the Physician Specialty Medical Services Agreements were included and distributed to the facilities for use for the Fiscal Year 2008-2009 review period.

A review of the invoices for the 39 contract physicians revealed that they were generally complying with their contract requirements. However, A&CD noted that the invoice submitted by one physician from High Desert did not specify the Time In and Time Out on the timesheet for services indicated as "PPM" for Permanent Pace Maker interrogation that took 15 minutes and the physician was compensated \$25 per procedure, which is equivalent to a quarter of the physician's hourly rate. The Contract Monitor explained that this is not a service directly provided by the physician to the patient, but requires the physician to be present for the service provided by the vendor. A&CD verified that the Physician Specialty Medical Services Agreement indicated compensation for clinic services and Echo/Treadmill procedures, but the contract did not include PPM. High Desert Medical Administration staff indicated that a Contract Review Form was submitted to revise the physician's contract to include the \$25 rate for reading each patient permanent pace maker report.

A&CD also noted that the invoice for one physician at LAC+USC did not match the total hours worked on the timesheets. LAC+USC staff explained that the additional time was for services provided by the contract physician when responding to telephone calls after the physician's shift ended. A review of the invoice revealed that the physician was compensated the "on-site" services rate of \$125 per hour for services that the physician provided off-site. LAC+USC Medical Administration staff indicated that the physician will no longer be utilized for services after his shift ends.

CONCLUSIONS

8. Contract Monitors use a monitoring instrument to ensure that contract physicians are complying with the terms of their contracts.
9. Two physicians at two facilities were compensated for services not in accordance with their contracts; however, the facilities have subsequently taken corrective action.

RECOMMENDATION 8

DHS management require County health facility management to ensure that physicians who were previously employed by the County are not allowed to contract with the County within 12 months of leaving County service, as required by County Code.

DHS FINDINGS

Contracts and Grants indicated that County employment status is verified through CWTAPPS for prospective contract physicians to ensure compliance with County Code Section 2.180, which prohibits the County from contracting with persons, except for physician residents, who were County employees within the preceding 12 months. Additionally, as part of the Metrocare Plan, the Board of Supervisors delegated authority to the Director to contract for physician services with current or former County employees, where special circumstances exist; therefore, the County Code requirements do not apply to Metrocare contracts.

Contracts and Grants provided a listing indicating 27 contract physicians who entered into Physician Medical Specialty Services Agreement with the County from October to December 2007. A review of CWTAPPS and other documentation obtained from Contracts and Grants revealed that none were employed by the County within the preceding 12 months and documentation was available verifying that their County employment status had been reviewed prior to executing a contract. Additionally, a review of CWTAPPS for the 39 contract physicians reviewed at the six facilities revealed that none were employed by the County within the preceding 12 months.

CONCLUSION

10. Contracts and Grants verifies and maintains documentation of prospective contract physicians' County employment status to ensure compliance with County Code.

RECOMMENDATION 9

DHS management requires County health facility management to begin evaluating possible technology for use in validating physician presence at health facilities.

DHS FINDINGS

In September 2006, Rancho completed the eCAPS Automated Time Collection System (on-line timekeeping system) pilot. According to staff from eHR Time Collection Project, the Rancho pilot was successful; however, it was agreed to postpone facility implementation until planned interface with ANSOS OneStaff and time collection devices are in place. The facilities had a need for a real-time tool to ensure immediate compliance with mandated nursing staff ratio requirements and an unmet business need for the real time capture of workforce management data for the nurses, physicians, registry nurses, and contract physicians who have complex work schedules. In August 2007, County employees, including physicians, assigned in Departments 110 (Health Services Administration) and 120 (Office of Managed Care) began utilizing the on-line timekeeping system. On May 15, 2008, staff from eHR Time Collection Project met with Health Services Administration Information Systems staff regarding implementing the use of swipe cards to report employee times at the clinical facilities; however, the project is still at a very early stage.

LAC+USC implemented a web-based scheduling system for the residents' rotation schedules, where staff can view their assignments. In addition, a similar system for the attending physicians' work schedules will be piloted in July 2008, where staff can view assignments, page colleagues, download calendars, submit special requests, and swap shifts on-line.

CONCLUSIONS

11. The on-line timekeeping system has been implemented at two DHS departments.
12. LAC+USC has implemented a web-based scheduling system for the residents' rotation schedules and will also pilot the system for the attending physicians' schedules in July 2008.

RECOMMENDATION 10

DHS management ensure that all physicians complete an outside employment declaration indicating their outside employment location(s) and the days/hours to be worked, and that potential conflicts between the physician's outside employment activity and County work hours are identified, monitored, and resolved.

DHS FINDINGS

Medical Administration staff indicated that physician supervisors review outside employment forms for completeness and accuracy. Staff also stated that physicians reporting outside

employment are required to indicate both their County and outside employment working hours and daily work schedule. Supervisors review the forms to ensure that no conflict exists between the physicians' County and outside employment working days/hours and that the total weekly hours do not exceed the maximum 24 hours limit prior to approval.

A&CD reviewed 73 County physicians' personnel and area files and noted that 20 physicians (27%) did not complete an outside employment form in 2007, including physicians from all facilities; however, seven of the 20 have subsequently completed their forms in 2008. Twenty (38%) of the 53 physicians who completed the form declared outside employment activities; however, two physicians (10%) did not identify their working hours and/or daily work schedule, including one at MLK-MACC and one at HUCLA, which was a 28% improvement in comparison with the A-C's January 2007 review. There were no discrepancies noted for 17 (94%) of the 18 physicians who reported their hours; however, A&CD noted one physician (6%) at LAC+USC indicated working more than the maximum of 24 hours allowed weekly. LAC+USC Medical Administration staff indicated that appropriate corrective action was subsequently taken to comply with the Outside Employment policy.

CONCLUSIONS

13. Outside employment forms were completed by 82% of the County physicians reviewed in 2007 and 2008.
14. Outside employment forms identified working hours and/or daily work schedule for 90% of the physicians reviewed who declared outside employment activities.
15. No discrepancies were noted for 94% of the physicians who reported their outside employment hours; however, one physician declared working more than the 24 hours limit per week and corrective action was taken.

RECOMMENDATION 11

DHS management consider aggregating physician outside employment forms in a central location within the Department to facilitate reconciliation and monitoring for potential conflicts, and to ensure that physicians are meeting their County obligations.

DHS FINDINGS

All full-time permanent County employees are required to complete the outside employment form annually. HR distributes, collects, and centrally maintains the outside employment forms for all DHS employees and enters the outside employment activities in a database to track whether all employees comply with submitting the form annually. HR's database reflects that 392 of the 605 (65%) full-time physicians had an outside employment form on file in 2007, and 558 of the 634 (88%) submitted a form in 2008.

In addition, the Interim Chief Medical Officer is working with Human Resources and Information Systems to develop an on-line system to complete the form, to assist in tracking compliance and to strengthen the evaluation, approval, and monitoring of physicians' outside employment. The Interim Chief Medical Officer indicated that the outside employment forms are reviewed by the physician's supervisor to ensure the form is completed properly and that no conflict exists between the physician's County and outside employment working hours prior to approval.

CONCLUSION

16. HR centrally maintains the outside employment forms for all DHS employees, including physicians.

SUMMARY

DHS has taken steps to improve its controls and further implement the 11 recommendations from the A-C's prior reviews. The Interim Chief Medical Officer recognizes the need for continued improvement and has reviewed these findings with facility Chief Medical Officers to identify areas for additional improvement. The Interim Chief Medical Officer will continue to address time accountability controls and increased monitoring at each of the facilities. Additional training will be provided to physicians to ensure compliance with DHS and County time reporting policies. In addition, DHS is currently piloting implementation of automated scheduling systems, which include auditing and monitoring functions to assist Chief Medical Officers to evaluate and validate physician presence and compliance with timekeeping policies.